Chapter REB 6

TRUST ACCOUNTS

REB 6.01 Trust Accounts

REB 6.01 Trust accounts. (1) Each broker shall maintain a common trust account in a bank for the deposit of all down payments, earnest money deposits or other trust funds received by the broker or his salesman on behalf of his principal or any other person pursuant to section 136.01, Wis. Stats.

(2) Each broker shall notify the board of the name of the bank or banks in which said trust account is maintained and also the name of the account on forms provided therefor.

(3) Each broker shall authorize the board to examine said trust account and shall obtain the certification of the bank attesting to said trust account and consenting to the examination and audit of said account by a duly authorized representative of the board. Said certification and consent shall be furnished on forms prescribed by the board.

(4) Each broker shall only deposit trust funds received on real estate or business opportunity transactions as defined in section 136.01, Wis. Stats., in said common trust account and shall not commingle his personal funds or other funds in said trust account with the exception that a broker may deposit and keep a sum not to exceed $100.00 in said account from his personal funds which sum shall be specifically identified and deposited to cover bank service charges relating to said trust account.

(5) A broker may maintain more than one trust account provided the board is advised of said account as specified in section REB 6.01 (2) and (3) above.

(6) Each broker shall maintain a single entry bookkeeping system in his office, listing the following informaton on all trust account deposits:

(a) Offers, dates, names of parties, amount of down payment.

(b) Options, dates, names of parties, amount of down payment.

(c) Land contracts, dates, names of parties, amount of down payment and contractual payments of principal and interest.

(d) Rent contracts, dates, names of parties, amount of rent installments.

(e) Mortgages, dates, names of parties, amount of payments of principal and interest.

(f) Finders fees, dates, names of parties and amount.

(g) Advance fees, dates, names of parties and amount.

(h) Earnest money receipts, dates, names of parties, amount of down payment.

(i) Any other receipts pertaining to the sale, exchange, purchase, rental of real estate or business opportunities, dates, names of parties, amount of payment.

(7) Any instrument or equity or thing of value taken in lieu of cash as down payment shall be held by an authorized escrow agent except as otherwise agreed.

(8) In the event a branch office maintains a separate trust account, a separate bookkeeping system shall be maintained in said branch office.

(9) Commissions or fees earned by the broker out of moneys deposited in said trust account shall be withdrawn from said trust account within 24 hours after the transaction is consummated, terminated or after the commission or fees are earned in accordance with the contract involved.

(10) Failure of the broker to follow the rules as set forth in this section shall constitute grounds for revocation or suspension of his license under section 136.08 (2), Wis. Stats.

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